

Rep. Dylan Roberts, Chair
Affordable Housing Transformational Task Force
200 E. Colfax Avenue, Room 307
Denver, CO 80203

Sen. Julie Gonzales, Vice Chair
Affordable Housing Transformational Task Force
200 E. Colfax Ave, Room 346
Denver, CO 80203

January 5, 2022

Dear Affordable Housing Transformational Task Force Members,

It has been our honor to serve as the Chair and Vice Chair of the Subpanel tasked with making recommendations to your Task Force during these last few months. We sincerely appreciate the support we received from this body and the hard work of our fellow Subpanel members.

We have appreciated the process that you have undertaken to adopt and integrate the Subpanel's initial funding recommendations and assign funding levels to them as a part of the report you will be issuing to the 2022 General Assembly. We also appreciate the acceptance of our first round of consensus policy recommendations and hope that you will accept and adopt the final consensus items as recommendations from the Task Force to the General Assembly. As Subpanel leads, we would be happy to discuss any of these matters with any Task Force or General Assembly member for legislative development.

While the Subpanel was disappointed that Recommendation F (Property Conversion for Transitional or Long-Term Housing) and Recommendation G (Permanent Supportive Housing and Supportive Services Fund) did not receive support for funding at the December 8, 2021 meeting of the Task Force, we appreciate both the support for the goals of those recommendations by the Task Force itself and the work that has occurred since that time to ensure these priorities are eligible uses of the funds and to secure funding from other sources. We look forward to working with you and the General Assembly to ensure that these two Subpanel recommendations receive thoughtful consideration and funding through the legislative process.

In addition to the funding recommendations that we submitted for your consideration, a number of longer-term policy recommendations were forwarded to the Task Force and voted on by your body. We have outlined two more policy recommendations below that were agreed upon at the Subpanel's December 15th meeting and several others that were discussed but were not able to meet the consensus threshold we set for ourselves. We encourage the Task Force to adopt these two additional recommendations at your January 6, 2022 meeting.

The Task Force also requested that the Subpanel make a recommendation related to the Area Median Income (AMI) levels that this funding should be able to address. While the federal guidance around these funds is not yet complete, we understand that there is flexibility with regard to the AMI levels that may be served by this funding. Ultimately, the ability to serve higher AMI levels must be weighed against both the mechanisms and/or programs that are

being utilized to expend the funds and the threshold for serving communities disproportionately affected by the pandemic. Wherever possible, the Subpanel recommends that these funds be used to serve a variety of needs across the housing and income spectrums with those caveats.

As always, please let us know if we can answer any questions for you. We look forward to working with you to bring these recommendations into legislative form and obtaining the support of the fully General Assembly to move these funding and policy recommendations forward. Once again, we would like to thank you for your partnership with the Subpanel and for the rich conversations that helped us all the achieve recommendations that will have transformational impact on the housing crisis in Colorado.

Sincerely,



Brian Rossbert, Chair
Executive Director
Housing Colorado



Cathy Alderman, Vice Chair
Chief Communications and Policy Officer
Colorado Coalition for the Homeless

Cc: Jeanette Chapman, LCS
April Bernard, LCS
Kris Grant
Kevin Quinn

Policy Items for Further Discussed by the Subpanel

The AHTTF requested the subpanel continue discussing the following policy items with a goal of moving them toward consensus. Items have been organized to reflect whether the Subpanel reached consensus or discussed without consensus.

Short-Term Rentals - Consensus

- Short-term rentals (STRs) have exacerbated the affordable housing market in many Colorado communities, especially in mountain resort communities. Furthermore, STRs have stretched community infrastructure beyond what was originally intended with residential developments.
- Support and examine the work of the Legislative Oversight Committee Concerning Tax Policy and Task Force in developing data-driven recommendations for STRs.

Statewide Homelessness Prevention and Resolution - Consensus

- Develop a statewide strategy for homelessness prevention and resolution that is responsive to and takes into account unique local community needs.
 - Provide sustainable funding for the Office of Homelessness Initiatives and community partners to assess, create, adopt, and implement a flexible state and local government plan with identified goals to respond to individuals and families experiencing homelessness.
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Study of State and Local Factors Impacting the Development of Affordable Housing

- Provide one-time funding for a study of state and local laws, ordinances, regulations, permitting practices, and fees that contribute to or impact the development of affordable housing. The study should identify both barriers and best practices in the development of affordable housing.
- The study should be a collaboration between state and local government entities, should take into consideration any currently available assessments or evaluations, and should include analysis on home-rule and state authority issues.
- The study must be sufficiently robust to provide the information necessary to consider well-informed action, avoid unintended consequences, and provide meaningful justification for state action on existing regulations.

Construction Defect Laws

- Recognize that Construction defect laws are an existing policy issue that many developers indicate adds to for-sale costs. Support any examination underway of existing Construction Defect laws to determine if more market-provided for-sale affordable housing opportunities exist while still providing consumer protections.

- Concerns were raised about the balance between developer and consumer roles in construction defect laws, and whether to acknowledge this since other efforts are underway to address it.

Land Banking

- Prioritize the use of land banking and land trust strategies for long-term affordable housing planning and development.
- Recognize the difference between land trusts and land banking - land banking is a longer-term strategy to ensure affordability.
- Concern was raised about the lack of discussion time on this item.

Intergovernmental Agreements

- Eliminate Intergovernmental Agreements (IGAs) unless they are a federal requirement, and eliminate "service area/territory" especially for DOH & CHFA funded projects, including weatherization.